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Securities code: 7976

March 6, 2024

To our shareholders:

Eiichiro Suhara
Representative Director, Chairman
Mitsubishi Pencil Company, Limited
5-23-37, Higashi-ohi, Shinagawa-ku, Tokyo

Notice of the 149th Annual General Meeting of Shareholders

You are hereby notified that the 149th Annual General Meeting of Shareholders of Mitsubishi Pencil Company, Limited (the “Company”) will be held as indicated below.

When convening this general meeting, the Company takes measures to provide electronically the information that is the content of the Reference Documents for General Meeting of Shareholders and other documents (matters for which electronic provision measures are to be taken), and posts this information on the respective websites specified below. Please access one of the websites below to review the information (in Japanese only).

[Company’s Website]

<https://www.mpuni.co.jp/ir/stock/index.html#soukai> (in Japanese only)

[Website on which Informational Materials for General Meeting of Shareholders are Posted]

<https://d.sokai.jp/7976/teiji/> (in Japanese only)

[Tokyo Stock Exchange Website (Listed Company Search)]

<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

(Please access the Tokyo Stock Exchange website specified above, enter “Mitsubishi Pencil” in the “Issue name (company name)” field, or “7976” in the “Code” field, to make a search, select “Basic information,” and then “Documents for public inspection/PR information,” and check the information from “Notice of General Shareholders Meeting/Informational Materials for a General Shareholders Meeting” indicated below the “Field information available for public inspection.”)

If you do not attend the meeting in person, you may exercise your voting rights in writing or via the internet. Please review the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights by 5:10 p.m. on Wednesday, March 27, 2024 (JST).

1. Date and Time: Thursday, March 28, 2024 at 10:00 a.m. (JST) (The venue opens at 9:30 a.m. (JST))

2. Venue: Second Floor Seminar Room at the Company’s Head Office
5-23-37, Higashi-ohi, Shinagawa-ku, Tokyo

3. Purpose of the Meeting

Matters to be reported:

1. Business Report and Consolidated Financial Statements for the 149th fiscal year (from January 1, 2023 to December 31, 2023), and the results of audits of the Consolidated Financial Statements by the Financial Auditor and the Audit & Supervisory Board
2. Non-consolidated Financial Statements for the 149th fiscal year (from January 1, 2023 to December 31, 2023)

Matters to be resolved:

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| Proposal No. 1 | Appropriation of Surplus |
| Proposal No. 2 | Election of Nine (9) Directors |
| Proposal No. 3 | Election of One (1) Audit & Supervisory Board Member |
| Proposal No. 4 | Election of One (1) Substitute Audit & Supervisory Board Member |

Proposal No. 5 Disposal of Treasury Shares through Third Party Allotment with Aim of Supporting Activities of Foundation for Human Expression & Creative Empowerment

- Our shareholders are required to access the websites specified on the first page, in principle, to confirm the matters for which electronic provision measures are to be taken, and only the shareholders who have requested the delivery of paper-based documents before the record date will be provided with the paper-based documents containing those matters. However, as for this general meeting, all the shareholders are provided with this paper-based notice of meeting containing those matters, irrespective of whether they have requested the delivery of paper-based documents.
Among matters for which electronic provision measures are to be taken, the following matters are not provided in this Notice because the provisions of laws and regulations and the Articles of Incorporation of the Company stipulated that these matters may be omitted even from the paper-based documents to be delivered to our shareholders who have requested the delivery of paper-based documents.
- Following matters among those reported in the business report
 - “Principal Business”
 - “Major Offices and Factories”
 - “Status of Employees”
 - “Status of Principal Lenders”
 - “Status of the Company’s Shares”
 - “Status of the Company’s Share Acquisition Rights”
 - “Matters Regarding Outside Directors”
 - “Status of the Financial Auditor”
 - “Systems to Ensure Appropriateness of Operations and Operational Status of the Systems”
 - “Basic Policy on Control of the Company”
 - “Other Important Matters Regarding the Current Status of the Company”
- “Consolidated Statement of Changes in Equity” and “Notes to Consolidated Financial Statement” of the Consolidated Financial Statements
- “Non-consolidated Statement of Changes in Equity” and “Notes to Non-consolidated Financial Statements” of the Non-consolidated Financial Statements
- The Business Report audited by the Audit & Supervisory Board Members in creating their audit report contains the abovementioned matters in the business report. The Consolidated Financial Statements and the Non-consolidated Financial Statements audited by the Financial Auditor and Audit & Supervisory Board Members in preparing their audit reports include the particulars of the above Consolidated and Non-consolidated Financial Statements.
- If there are any amendments made to this Notice or matters for which electronic provision measures are to be taken or if there are significant changes in the way the General Meeting of Shareholders will be run, the Company will post a notice of the amendments and the details of the matters before and after the amendments on our websites specified on the first page.

Reference Documents for the General Meeting of Shareholders

Proposal No. 1 Appropriation of Surplus

The Company has given consideration to the business performance of the fiscal year and future business development, and it proposes to pay year-end dividends for the 149th fiscal year as follows:

Year-end dividends

- (1) Type of dividend property
Cash
- (2) Allotment of dividend property and the total amount
22 JPY per common share of the Company
(ordinary dividend of 20 JPY, special dividend of 2 JPY)
In this event, the total dividends will be 1,247,270,838 JPY.
- (3) Effective date of dividends of surplus
March 29, 2024

Proposal No. 2 Election of Nine (9) Directors

The terms of office of all eight (8) Directors will expire at the conclusion of this meeting. Therefore, the Company proposes the election of nine (9) Directors, increasing the number of Directors by one (1) to strengthen the management system. The candidates for Directors are as follows:

Candidate No.	Name	Current position and responsibility in the Company	Attribute
1	Eiichiro Suhara	Representative Director, Chairman	Reelection
2	Shigehiko Suhara	Representative Director, President, in charge of New Business Development and Internal Audit	Reelection
3	Kazuhisa Kiritani	Director, Managing Executive Officer, Engineering, in charge of Quality Assurance and Sustainability	Reelection
4	Takao Suzuki	Director, Senior Executive Officer in charge of Human Resources, Information System and Legal Affairs	Reelection
5	Nobuo Yamamura	Managing Executive Officer in charge of Domestic Sales and Marketing, and General Manager of Product Development Department	New election
6	Nobuyuki Nagasawa	Director	Reelection
7	Tojiro Aoyama	Outside Director	Reelection Outside Independent Director
8	Asako Saito	Outside Director	Reelection Outside Independent Director Female
9	Tadashi Shimamoto	Outside Director	Reelection Outside Independent Director

Reelection: Candidate for Director to be reelected

New election: Candidate for Director to be newly elected

Outside: Candidate for Outside Director

Independent Director: Independent Director as defined by the securities exchange

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Important concurrent positions)	Number of the Company's shares owned
1	Eiichiro Suhara (July 19, 1948) <u>Reelection</u>	Aug. 1974 Joined the Company Mar. 1980 Director Mar. 1982 Managing Director Mar. 1985 Director, Vice President Mar. 1987 Representative Director, President June 2015 Outside Director of Eisai Co., Ltd. Mar. 2019 Representative Director, Chairman and President of the Company Mar. 2020 Representative Director, Chairman (current position) June 2020 Outside Audit & Supervisory Board Member of FUJI KYUKO CO., LTD. (current position) June 2023 External Director of CASIO COMPUTER CO., LTD. (current position) [Important concurrent positions] External Director of CASIO COMPUTER CO., LTD. Outside Audit & Supervisory Board Member of FUJI KYUKO CO., LTD.	467,807 shares
[Reasons for nomination as a candidate for Director] Ever since his appointment as Representative Director, President in 1987, Eiichiro Suhara has exhibited superior leadership and has been leading the Company's business for many years. He has played an important role in achieving sustainable growth and increasing the corporate value of the Group. His abundant experience and wide breadth of knowledge, as well as his perspective that takes a big-picture view of the Group, are essential for us in our aim to further strengthen the supervisory function hereafter. Therefore, the Company proposes his reelection as Director.			

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Important concurrent positions)	Number of the Company's shares owned
2	Shigehiko Suhara (February 11, 1979) <u>Reelection</u>	Apr. 2005 Joined the Company Apr. 2010 General Factory Manager of Gunma Factory Apr. 2012 General Manager of Sales Planning Department Mar. 2013 Director in charge of Corporate Planning Nov. 2015 Director in charge of Corporate Planning and General Manager of International Operations Planning Department Mar. 2016 Director in charge of Product Development and New Business Development Mar. 2017 Managing Director in charge of Writing Instrument Business, New Business Development, Product Development and Quality Assurance Mar. 2018 Director, Vice President Mar. 2019 Representative Director, Vice President Mar. 2020 Representative Director, President Mar. 2022 Representative Director, President, in charge of New Business Development and Internal Audit Nov. 2023 Representative Director, President, in charge of New Business Development, Internal Audit, Production and Production Engineering Jan. 2024 Representative Director, President, in charge of New Business Development and Internal Audit (current position) [Important concurrent positions] Representative Director, President of Yamagata Mitsubishi Pencil Precision Co., Ltd. CEO of uni-ball Corporation Chairman of Mitsubishi Pencil Vietnam Co., Ltd.	377,540 shares
[Reasons for nomination as a candidate for Director] Shigehiko Suhara has served as General Factory Manager of Gunma Factory and General Manager of Domestic and International Sales Planning, and has been in charge of Corporate Planning, Product Development, and New Business Development. As such, he has a variety of experience and knowledge in domestic and international production and sales, and has exhibited superior management execution capabilities and leadership as Representative Director and President. Based on this, he has played an important role in efforts aimed at further enhancing the flexible management decisions and swift business execution, as well as at achieving business growth and increasing the corporate value of the Company. Therefore, the Company proposes his reelection as Director.			

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Important concurrent positions)	Number of the Company's shares owned
3	Kazuhisa Kirita (November 13, 1958) <u>Reelection</u>	Apr. 1981 Joined the Company Apr. 2003 General Manager of Product Development Department Apr. 2007 General Manager of Gunma Research and Development Center Apr. 2011 General Manager of Product Development Department Mar. 2012 Director and General Manager of Product Development Department Mar. 2016 Director in charge of Engineering, Patent Administrations and Cosmetics Mar. 2018 Managing Director in charge of Engineering, Intellectual Property Rights, Cosmetics and New Business Development Mar. 2019 Director, Managing Executive Officer in charge of Engineering, Intellectual Property Rights, Cosmetics and Industrial Materials Mar. 2020 Director, Managing Executive Officer, Engineering, in charge of Quality Assurance Mar. 2021 Director, Managing Executive Officer, Engineering, in charge of Quality Assurance and Environment Mar. 2022 Director, Managing Executive Officer, Engineering, in charge of Quality Assurance and Sustainability (current position)	15,200 shares
<p>[Reasons for nomination as a candidate for Director] Based on his experience in research and development, Kazuhisa Kirita has been involved in Product Development, Cosmetics, New Business Development, and other areas. Furthermore, he has made many achievements and accumulated experience of commercialization based on the combination of technology and business. In addition, as the person in charge of Sustainability, he has been involved in cross-functional activities aimed at building a sustainable business structure. The Company judged that his insight, grounded on such extensive experience, will contribute to further development and establishment of sustainable systems in the Company. He will also play an important role in management decision making. Therefore, the Company proposes his reelection as Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Important concurrent positions)	Number of the Company's shares owned
4	Takao Suzuki (December 14, 1962) <u>Reelection</u>	<p>Apr. 1985 Joined the Company</p> <p>Apr. 2009 General Manager of President's Office</p> <p>Aug. 2009 General Manager of Sales Planning Department</p> <p>Apr. 2013 General Manager of Corporate Planning Department</p> <p>Apr. 2017 General Manager of IT Solution Center</p> <p>Apr. 2018 Senior General Manager, General Manager of IT Solution Center</p> <p>Mar. 2019 Executive Officer, General Manager of IT Solution Center</p> <p>Mar. 2020 Senior Executive Officer, General Manager of Corporate Planning Department and in charge of Information System</p> <p>Mar. 2021 Senior Executive Officer in charge of Human Resources and Information System</p> <p>Mar. 2022 Director, Senior Executive Officer in charge of Human Resources and Information System</p> <p>Mar. 2023 Director, Senior Executive Officer in charge of Human Resources, Information System and Legal Affairs (current position)</p>	6,900 shares
<p>[Reasons for nomination as a candidate for Director]</p> <p>Takao Suzuki has extensive achievements and experience in managerial departments, mainly in corporate planning, information systems, human resources and legal affairs. He can grasp the Company's situation from a diversified perspective by leveraging his insights, and has played an important role in management decision making and the strengthening of business execution supervising functions. Therefore, the Company proposes his reelection as Director.</p>			
5	Nobuo Yamamura (August 24, 1962) <u>New election</u>	<p>Apr. 1985 Joined the Company</p> <p>Apr. 2007 General Manager of Product Development Department</p> <p>July 2011 Chairman of Mitsubishi Pencil Vietnam Co., Ltd.</p> <p>July 2013 Managing Director of Mitsubishi Pencil Tokyo Sales Co., Ltd.</p> <p>Apr. 2015 General Manager of Sales Planning Department of the Company</p> <p>Mar. 2017 Director and General Manager of Domestic Sales and Marketing Department</p> <p>Mar. 2019 Senior Executive Officer, General Manager of Domestic Sales and Marketing Department and General Manager of Product Development Department</p> <p>Mar. 2022 Managing Executive Officer in charge of Domestic Sales and Marketing, and General Manager of Product Development Department (current position)</p>	15,500 shares
<p>[Reasons for nomination as a candidate for Director]</p> <p>Nobuo Yamamura has held important positions in product development, domestic sales, and major domestic and overseas subsidiaries, and has management experience in both the manufacturing and sales. He is expected to utilize his cross-cutting knowledge and experience for playing a leading role in management and supervision and to contribute to revitalization of the Company's Board of Directors through proactive statements. Therefore, the Company proposes him as a candidate for Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Important concurrent positions)	Number of the Company's shares owned
6	Nobuyuki Nagasawa (April 3, 1957) <u>Reelection</u>	Apr. 1980 Joined the Company Apr. 2001 General Manager, assistant to International Business Department Apr. 2003 General Manager of Financial Resources and Accounting Department Mar. 2006 Director and General Manager of Financial Resources and Accounting Department Jan. 2008 Director in charge of Financial Affairs, Legal Affairs and Information System Apr. 2010 Director in charge of Financial Affairs, Legal Affairs, Information System and Internal Control Mar. 2016 Director in charge of Corporate Planning and Information System Mar. 2017 Managing Director in charge of Human Resources, Corporate Planning and Information System Mar. 2018 Managing Director in charge of Human Resources, General Affairs, Legal Affairs and Compliance Mar. 2019 Director, Managing Executive Officer in charge of Human Resources, General Affairs, Legal Affairs and Compliance Mar. 2021 Director, Managing Executive Officer, Corporate Administration and in charge of Compliance Mar. 2022 Director, Managing Executive Officer, Corporate Administration Mar. 2023 Director (current position)	30,800 shares
<p>[Reasons for nomination as a candidate for Director]</p> <p>Nobuyuki Nagasawa has extensive knowledge and experience in managerial divisions, including accounting, finance, legal affairs, and information system, and his achievements include establishing a group-wide compliance system and risk management system. He can grasp a birds-eye view of the Company Group's situation from an objective and neutral standpoint as a non-executive director, and has played an important role in the strengthening of business execution supervising functions and in management decision-making. Therefore, the Company proposes his reelection as Director as it expects him to continue to fulfill these roles.</p>			

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Important concurrent positions)	Number of the Company's shares owned
7	<p style="text-align: center;">Tojiro Aoyama (August 29, 1951) <u>Reelection</u> <u>Outside</u> <u>Independent Director</u></p>	<p>Mar. 1979 Ph.D. in Engineering at Keio University Apr. 1988 Assistant Professor, Department of Mechanical Engineering, Faculty of Science and Technology, Keio University Apr. 1995 Professor, Department of Mechanical Engineering, Faculty of Science and Technology, Keio University Apr. 1996 Professor, Department of System Design Engineering, Faculty of Science and Technology, Keio University July 2009 Dean of Faculty of Science and Technology and Dean of Graduate School of Science and Technology, Keio University June 2015 External Director of DMG MORI CO., LTD. Mar. 2016 President of the Japan Society for Precision Engineering Mar. 2017 Outside Audit & Supervisory Board Member of the Company Apr. 2017 Professor Emeritus, Keio University May 2017 Vice President of Keio University Mar. 2019 Outside Director of the Company (current position) Aug. 2021 Chairperson of Keio Engineering Foundation (current position) Oct. 2023 Outside Audit & Supervisory Board Members of Sato Pharmaceutical Co., Ltd. (current position)</p> <p>[Important concurrent positions] Outside Audit & Supervisory Board Member of Sato Pharmaceutical Co., Ltd.</p>	-
<p>[Reason for nomination as a candidate for Outside Director and overview of expected role] In addition to having extensive knowledge and experience in mechanical engineering, production engineering, and other fields, Tojiro Aoyama has served as Vice-President of Keio University, and possesses a wide breadth of knowledge. Based on this experience, he has been able to provide beneficial opinions and advice from a viewpoint that is not confined to the industry to which the Company belongs, which will lead to improved soundness and transparency in management decision making. In addition, he has been responsible for overseeing the processes of selecting candidates for Officers of the Company and determining remuneration for Officers from an objective and neutral standpoint in his capacity as a member of the Nomination and Remuneration Committee. Therefore, the Company proposes his reelection as Outside Director as it expects him to continue to fulfill these roles through the Board of Directors, the Nomination and Remuneration Committee, etc. His term of office as Outside Director of the Company will be five (5) years at the conclusion of this General Meeting of Shareholders. His total term of office, including his time as an Outside Audit & Supervisory Board Member, will be seven (7) years.</p>			

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Important concurrent positions)	Number of the Company's shares owned
8	<p style="text-align: center;">Asako Saito (January 21, 1968) Reelection Outside Independent Director Female</p>	<p>Apr. 1990 Joined Mercedes-Benz Japan Co., Ltd. Sept. 1997 Joined Boston Consulting Group Japan Co., Ltd. Mar. 2000 Joined Louis Vuitton Japan K.K. June 2002 COO of Celux Co., Ltd. Oct. 2008 Established Dramatic Co., Ltd.; Representative Director May 2014 Established ten to four inc.; Representative Director June 2015 Outside Director of YAOKO Co., Ltd. (current position) Aug. 2015 Director of Cogito Education and Management Inc. June 2018 Outside Director of Watabe Wedding Corporation Mar. 2019 Outside Director of the Company (current position) May 2020 Outside Director of SANYO SHOKAI LTD. Nov. 2020 Outside Director of CIRCULATION Co., Ltd. (current position) Nov. 2020 Established BLOOM Co., Ltd.; Representative Director (current position)</p> <p>[Important concurrent positions] Representative Director of BLOOM Co., Ltd. Outside Director of YAOKO Co., Ltd. Outside Director of CIRCULATION Co., Ltd.</p>	-
<p>[Reason for nomination as a candidate for Outside Director and overview of expected role] In addition to extensive knowledge relating to business management and diversity management, Asako Saito possesses a wide breadth of knowledge and achievement in marketing and branding. She has made diversified comments in sustainability activities, including enhancement of corporate governance and promotion of diversity from a standpoint which is independent of the Company's management team and has played a key role in the further revitalization of the Company's Board of Directors. In addition, she has been responsible for overseeing the processes of selecting candidates for Officers of the Company and determining remuneration for Officers from an objective and neutral standpoint in her capacity as a member of the Nomination and Remuneration Committee. Therefore, the Company proposes her reelection as Outside Director as it expects her to continue to fulfill these roles through the Board of Directors, the Nomination and Remuneration Committee, etc. Her term of office as Outside Director of the Company will be five (5) years at the conclusion of this General Meeting of Shareholders.</p>			

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Important concurrent positions)	Number of the Company's shares owned
9	Tadashi Shimamoto (February 8, 1954) <u>Reelection</u> <u>Outside</u> <u>Independent Director</u>	<p>Apr. 1976 Joined Nomura Computer Systems Co., Ltd. (currently Nomura Research Institute, Ltd.)</p> <p>Apr. 2002 Senior Managing Director and Division Manager of Advanced Information Technology Division, Nomura Research Institute, Ltd.</p> <p>Apr. 2004 Senior Corporate Managing Director, Division Manager of Advanced Information Technology Division, and Deputy Division Manager of Center for Knowledge Exchange & Creation, Nomura Research Institute, Ltd.</p> <p>June 2008 Representative Director, Member of the Board, Senior Executive Managing Director in charge of Supervising of Business Divisions, Nomura Research Institute, Ltd.</p> <p>Apr. 2010 President & CEO, Representative Director, Member of the Board, Nomura Research Institute, Ltd.</p> <p>Apr. 2015 Chairman and President & CEO, Representative Director, Member of the Board, Nomura Research Institute, Ltd.</p> <p>Apr. 2016 Chairman, Member of the Board, Nomura Research Institute, Ltd.</p> <p>June 2019 Member of the Board, Nomura Research Institute, Ltd.</p> <p>June 2021 Special Advisor, Nomura Research Institute, Ltd. (current position)</p> <p>June 2021 Director of Reading Skill Test, Inc. (current position)</p> <p>Mar. 2022 Outside Director of the Company (current position)</p> <p>July 2022 Member of Public Interest Body of PricewaterhouseCoopers Aarata LLC (currently PricewaterhouseCoopers Japan LLC) (current position)</p> <p>June 2023 Outside Director of Seiko Epson Corporation (current position)</p> <p>[Important concurrent positions] Special Advisor to Nomura Research Institute, Ltd. Outside Director of Seiko Epson Corporation Director of Reading Skill Test, Inc. Member of the Public Interest Body, PricewaterhouseCoopers Japan LLC</p>	1,000 shares
<p>[Reason for nomination as a candidate for Outside Director and overview of expected role] Tadashi Shimamoto has been involved in the management of Nomura Research Institute, Ltd. for many years and has extensive experience and achievements in corporate management, as well as broad insight into corporate governance. By leveraging his wealth of experience and knowledge, he has played an important role in improving the soundness and transparency of management decision making at the Company from a standpoint which is independent of the Company's management team. In addition, he has been responsible for overseeing the processes of selecting candidates for Officers of the Company and determining remuneration for Officers from an objective and neutral standpoint in his capacity as a member of the Nomination and Remuneration Committee. Therefore, the Company proposes his reelection as Outside Director as it expects him to continue to fulfill these roles through the Board of Directors, the Nomination and Remuneration Committee, etc. His term of office as Outside Director of the Company will be two (2) years at the conclusion of this General Meeting of Shareholders.</p>			

Notes: 1. Shigehiko Suhara concurrently serves as Representative Director, President of Yamagata Mitsubishi Pencil Precision Co., Ltd. The Company purchases its specified products from this company and is also leasing real estate to this company.

2. Shigehiko Suhara concurrently serves as CEO of uni-ball Corporation. The Company sells its products to this company as a wholesaler.
3. Shigehiko Suhara concurrently serves as Chairman of MITSUBISHI PENCIL VIETNAM CO., LTD. The Company purchases its specified products from this company.
4. There is no special interest between each candidate for Director other than those stated in 1. to 3. and the Company.
5. Tojiro Aoyama, Asako Saito, and Tadashi Shimamoto are candidates for Outside Directors.
6. Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company has entered into limited liability agreements with Tojiro Aoyama, Asako Saito, and Tadashi Shimamoto to limit their liability for damages under Article 423, paragraph (1) of the Companies Act, on the condition that the requirements stipulated by laws and regulations are met. If their reelection is approved, the Company will continue the above-mentioned limited liability agreements with them. The maximum amount of liability for damages under this agreement is 5 million JPY or the minimum liability amount provided for under laws and regulations, whichever is the higher amount.
7. In accordance with the provision under Paragraph (1), Article 430-2 of the Companies Act, the Company has concluded indemnity agreements with all the Directors and the Audit & Supervisory Board Members by which the Company indemnifies for expenses under Item 1 of the same Paragraph and losses under Item 2 of the same Paragraph within the scope stipulated by laws (however, in order to ensure that the appropriateness of performance of duties by Board Members of the Company is not compromised, they will not be indemnified for costs of defense in excess of the amount normally required or compensation, etc. required to pay in the case of their malicious misconduct or gross negligence in performing their duties). If the reelection of the respective candidates is approved, the Company will continue the above-mentioned indemnity agreements with them. If the election of Nobuo Yamamura, candidate for new election, is approved, the Company intends to conclude an indemnity agreement with him with the similar details.
8. The Company has concluded a Directors and Officers liability insurance policy with an insurance company, as provided for in Article 430-3, paragraph (1) of the Companies Act. This insurance policy covers damages arising from liability borne by the insured persons in the course of execution of their duties as a Director, etc. or claims pertaining to the pursuit of such liability. Each candidate for Director is included as an insured person under the said insurance policy and will continue to be included as an insured person if elected as a Director of the Company pursuant to this proposal.
9. The Company has designated Tojiro Aoyama, Asako Saito, and Tadashi Shimamoto as Independent Directors under the provisions of the Tokyo Stock Exchange and has notified the Exchange thereof and plans to continue to designate them as Independent Directors.
10. Tojiro Aoyama, Asako Saito, and Tadashi Shimamoto, who are candidates for Outside Directors, satisfy the “Independence Criteria for Outside Directors and Outside Audit & Supervisory Board Members” stipulated by the Company on page 17

Proposal No. 3 Election of One (1) Audit & Supervisory Board Member

Audit & Supervisory Board Member Akira Fukai will retire as an Audit & Supervisory Board Member at the conclusion of this meeting due to the expiration of his term of office. Therefore, the Company proposes the election of one (1) Audit & Supervisory Board Member. The consent of the Audit & Supervisory Board has been obtained for this proposal. The candidate for Audit & Supervisory Board Member is as follows.

Name (Date of birth)	Career summary and position in the Company (Important concurrent positions)	Number of the Company's shares owned
Hirohisa Ogawa (May 14, 1964) <u>New election</u>	Apr. 1987 Joined the Company Apr. 2015 Managing Director of Mitsubishi Pencil Hokkaido Sales Co., Ltd. July 2015 Representative Director, President of Mitsubishi Pencil Hokkaido Sales Co., Ltd. Aug. 2018 Managing Director of Mitsubishi Pencil Tokyo Sales Co., Ltd. July 2020 Representative Director, President of Mitsubishi Pencil Hokkaido Sales Co., Ltd. July 2021 Representative Director, President of Mitsubishi Pencil Tokyo Sales Co., Ltd. (current position)	2,000 shares
<p>[Reasons for nomination as a candidate for Audit & Supervisory Board Member]</p> <p>Hirohisa Ogawa serves as the Representative Director of a subsidiary of the Company and has held other positions at subsidiaries of the Company. He has a wealth of experience as a manager and extensive knowledge of the Company's sales and marketing. Therefore, as the Company anticipates that he will play an important role in enhancing audits from his perspective that is closer to production sites and further strengthening the auditing system throughout the Group, the Company proposes his election as an Audit & Supervisory Board Member.</p>		

- Notes:
1. There is no special interest between the candidate for Audit & Supervisory Board Member and the Company.
 2. Hirohisa Ogawa currently serves as the Representative Director, President of Mitsubishi Pencil Tokyo Sales Co., Ltd., but he is scheduled to retire from the position at the conclusion of the General Meeting of Shareholders of that company to be held on March 28, 2024.
 3. In accordance with the provision under Paragraph (1), Article 430-2 of the Companies Act, the Company has concluded indemnity agreements with all the Directors and the Audit & Supervisory Board Members by which the Company indemnifies for expenses under Item 1 of the same Paragraph and losses under Item 2 of the same Paragraph within the scope stipulated by laws (however, in order to ensure that the appropriateness of performance of duties by Board Members of the Company is not compromised, they will not be indemnified for costs of defense in excess of the amount normally required or compensation, etc., required to pay in the case of their malicious misconduct or gross negligence in performing their duties). If the election of Hirohisa Ogawa, candidate for new election, is approved, the Company intends to conclude an indemnity agreement with him with the similar details.
 4. The Company has concluded a Directors and Officers liability insurance policy with an insurance company, as provided for in Article 430-3, paragraph (1) of the Companies Act. This insurance policy covers damages arising from liability borne by the insured persons in the course of execution of their duties as a Director, etc. or claims pertaining to the pursuit of such liability. Hirohisa Ogawa is included as an insured person under the said insurance policy as a Director of a subsidiary of the Company and will continue to be included as an insured person if elected as an Audit & Supervisory Board Member of the Company pursuant to this proposal. The Company intends to renew the said insurance policy with the similar details during the terms of office of the Audit & Supervisory Board Member elected pursuant to this proposal.

Proposal No. 4 Election of One (1) Substitute Audit & Supervisory Board Member

The validity of election of Satoshi Sugano, who was elected as a Substitute Audit & Supervisory Board Member at the 148th Annual General Meeting of Shareholders held on March 30, 2023, will expire as of commencement of this meeting. Therefore, the Company requests approval for the election of one (1) Substitute Audit & Supervisory Board Member to be ready to fill a vacant position should the number of Audit & Supervisory Board Members fall below the number required by laws and regulations. The consent of the Audit & Supervisory Board has been obtained for this proposal. The candidate for Substitute Audit & Supervisory Board Member is as follows:

Name (Date of birth)	Career summary (Important concurrent positions)	Number of the Company's shares owned
<p>Satoshi Sugano (December 17, 1965)</p> <p style="text-align: center;">Reelection Outside</p> <p style="text-align: center;">Independent Audit & Supervisory Board Member</p>	<p>Apr. 1994 Registered as an attorney at law; joined Naritomi & Partners (currently Marunouchi Minami Law Office)</p> <p>Oct. 2003 Partner of Naritomi & Partners</p> <p>June 2015 Established Nakadori Law Office; Representative Attorney at Law (current position)</p> <p>[Important concurrent positions] Representative Attorney at Law of Nakadori Law Office</p>	-
<p>[Reasons for nomination as a candidate for Substitute Outside Audit & Supervisory Board Member]</p> <p>Satoshi Sugano has no prior experience in the management of a company, but has advanced professional legal knowledge as an attorney at law. As the Company judged that his extensive knowledge could be reflected in the Company's auditing system and that he could provide us with appropriate advice and suggestions for securing legal compliance from a standpoint which is independent of the Company's management team, it proposes his reelection as Substitute Outside Audit & Supervisory Board Member.</p>		

- Notes:
1. There is no special interest between the candidate for Substitute Audit & Supervisory Board Member and the Company.
 2. Satoshi Sugano is a candidate for Substitute Outside Audit & Supervisory Board Member.
 3. If Satoshi Sugano takes office as Audit & Supervisory Board Member, pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company plans to enter into a limited liability agreement with him to limit his liability for damages under Article 423, paragraph (1) of the Companies Act, on the condition that the requirements stipulated by laws and regulations are met. The maximum amount of liability for damages under this agreement will be 1 million JPY or the minimum liability amount provided for under laws and regulations, whichever is the higher amount.
 4. In accordance with the provision under Paragraph (1), Article 430-2 of the Companies Act, the Company has concluded indemnity agreements with all the Directors and the Audit & Supervisory Board Members by which the Company indemnifies for expenses under Item 1 of the same Paragraph and losses under Item 2 of the same Paragraph within the scope stipulated by laws (however, in order to ensure that the appropriateness of performance of duties by Board Members of the Company is not compromised, they will not be indemnified for costs of defense in excess of the amount normally required or compensation, etc. required to pay in the case of their malicious misconduct or gross negligence in performing their duties). If Satoshi Sugano takes office as Audit & Supervisory Board Member pursuant to this proposal, the Company intends to conclude an indemnity agreement with him with the similar details.
 5. The Company has concluded a Directors and Officers liability insurance policy with an insurance company, as provided for in Article 430-3, paragraph (1) of the Companies Act. This insurance policy covers damages arising from liability borne by the insured persons in the course of execution of their duties as a Director, etc. or claims pertaining to the pursuit of such liability. If Satoshi Sugano takes office as Audit & Supervisory Board Member, he will be included as an insured person in the said insurance policy. The Company intends to renew the said insurance policy with the similar details while the election of the Substitute Audit & Supervisory Board Members pertaining to this proposal is valid.
 6. If Satoshi Sugano takes office as Audit & Supervisory Board Member, the Company plans to designate him as an Independent Audit & Supervisory Board Member under the provisions of the Tokyo Stock Exchange and notify the Exchange thereof.
 7. Substitute Outside Audit & Supervisory Board Member candidate Satoshi Sugano satisfies the "Independence Criteria for Outside Directors and Outside Audit & Supervisory Board Members" stipulated by the Company on page 17.

[Reference]

As disclosed in the “Notice Concerning the Formulation of ‘Vision 2036 (Long-term Vision)’ and ‘Medium-term Business Plan 2022-2024’” on February 17, 2022, the Company is working on a medium-term business plan for the period from 2022 to 2024 to achieve its long-term group vision of becoming “The World’s Most Expressive Innovation Company” that unleashes the individuality and creativity of people around the world through “writing and drawing.” In addition, the Company has made “globalization of the writing instrument business,” “creating and nurturing new businesses,” and “building a sustainable structure” as our priority measures in our medium-term business plan.

In order to achieve these priority measures in the medium-term business plan, the Company believes it is important for the Board of Directors to be composed of a well-balanced group of members with the knowledge, experience, and abilities described in the skills matrix below. Therefore, the Company considered the balance and diversity of these skills in selecting candidates for Directors and Audit & Supervisory Board Members. All candidates for Directors, Audit & Supervisory Board Members and incumbent Audit & Supervisory Board Members have management experience at the Company, or other companies, or organizations.

Director/Audit & Supervisory Board Member		Management Strategy/ Marketing	Finance/ Accounting	Legal/ Risk Management	Global	Innovation Technology	ESG (Environmental/ Social/ Governance)
Representative Director	Eiichiro Suhara	○	○		○		
Representative Director	Shigehiko Suhara	○				○	○
Director	Kazuhisa Kirita	○				○	○
Director	Takao Suzuki	○	○			○	
Director	Nobuo Yamamura	○			○	○	
Director	Nobuyuki Nagasawa	○	○	○			
Outside Director	Tojiro Aoyama	○			○	○	
Outside Director	Asako Saito	○			○		○
Outside Director	Tadashi Shimamoto	○				○	○
Audit & Supervisory Board Member	Emi Murakami	○		○	○		
Audit & Supervisory Board Member	Hirohisa Ogawa	○	○	○			
Outside Audit & Supervisory Board Member	Toru Kajikawa		○	○			○
Outside Audit & Supervisory Board Member	Osamu Ishida		○	○			○

(*) Up to three main skills that each person possesses are marked with “○.” This does not represent all of the skills of each person.

[Reference] Independence Criteria for Outside Directors and Outside Audit & Supervisory Board Members

The Company deems that Outside Directors and Outside Audit & Supervisory Board Members (including candidates) who do not fall under any of the criteria of the following items possess independence with regard to the Company and do not pose a risk of conflict of interest with general shareholders.

1. Major shareholder
Major shareholder of the Company or its executing person. “Major shareholder” means any of those who directly or indirectly hold 10% or more of voting rights at the end of the Company’s most recent fiscal year.
2. Major business partner
 - (1) Our principal business partner or its executing person. “Our principal business partner” means any one of the following:
 - The amount of payment from the said business partner to the Company in the most recent business year exceeds 2% of the Company’s annual consolidated net sales.
 - A business partner who is indispensable in fund procurement of the Company and whom the Company relies on to the extent that there is no substitution.
 - (2) A party who considers the Company as a major business partner or its executing person. “A party who considers the Company as a major business partner” means the following party:
 - The amount of payment from the Company to the said party in the most recent business year exceeds 2% of the said party’s annual consolidated net sales.
3. Professional service provider
A legal expert such as an attorney at law, accounting or tax specialist such as a certified public accountant or tax accountant, consultant, corporate manager, university professor, etc. who obtains monetary or other property profit exceeding 10 million JPY per year other than executive remuneration from the Company. When such property is obtained by an organization such as a corporation or a partnership, this criterion applies to a person belonging to such organization.
4. Donation/Grant
A person who receives donation or grant exceeding 10 million JPY per year from the Company. When such donation or grant is obtained by an organization such as a corporation or a partnership, this criterion applies to an executing person of such organization.
5. A person who has fallen under any of the above 1. to 4. in the past three (3) years.
6. A spouse or a relative within second degree of kinship of a Director or an employee of the Company or the Company’s subsidiary.

* In these criteria, the term “executing person” means a person who executes business in an organization such as a corporation or a partnership regardless of his/her title or position name such as director, executive officer, employee, etc.

Proposal No. 5 Disposal of Treasury Shares through Third Party Allotment with Aim of Supporting Activities of Foundation for Human Expression & Creative Empowerment

1. Purpose of the Foundation

Since its foundation in 1887, the Company has been active as the leading company in writing instruments both in Japan and globally by engaging itself in the development of high-quality and unique writing instruments. The Company believes that its writing instruments have helped people manifest their innate individuality and talents as tools for outputting their creativity and imagination. By looking back on its history and redefining the value that it provides, the Company established “Vision 2036 (Long-term Vision)” in 2022. In this long-term vision, the Company declared that it will become “The World’s Most Expressive Innovation Company” that unleashes the individuality and creativity of people around the world through “writing and drawing” in the belief that “everyone is unique in their own way, right from birth.” As part of its activities to achieve the vision, the Board of Directors of the Company passed a resolution on February 16, 2024, to establish a foundation that supports activities specialized in the area of self-expression (the “Foundation”).

As digital technology has evolved in recent years, society is making great strides toward emphasizing efficiency. Rapid communication of information, automation of tasks, time and cost savings, etc., have become essential aspects of business and daily life. Although many benefits are derived under these circumstances, traditional and diverse values, as well as creative expressions, may be suppressed, and social diversity may be undermined. To achieve “Vision 2036 (Long-term Vision)” under these circumstances, the Company needs to support colleges and institutions that study a wide variety of expression methods, as well as artists and creators who practice new methods of expression, thereby broadly conveying the value of diverse expressions.

Through these activities, the Foundation aims “to support research of new engineering development for bringing out people’s unique expressions and individuality and activities to pursue the joy of expressive activities, as well as to contribute to the realization of a diverse society where people can express themselves by writing and drawing and where each other’s existence is accepted.” The Company expects the Foundation to play a role in accelerating initiatives for solving these social issues and believes that the activities of the Foundation will contribute to the achievement of “Vision 2036 (Long-term Vision)” and corporate philosophy of the Company, assisting the Company to achieve sustainable growth and improve its corporate value over the medium to long term.

2. Disposal of treasury shares

In order to ensure that the Foundation continuously performs social contribution activities in a stable manner, the Company will establish a third-party trust (the “Trust”) with Sumitomo Mitsui Trust Bank, Limited, as the trustee, Custody Bank of Japan, Ltd., as the sub-trustee, and the Foundation as the beneficiary. Under the Trust, Custody Bank of Japan, Ltd., as the sub-trustee will acquire shares in the Company as trust property related to the Trust. The Trust will deliver trust income from dividends, etc., from the Company’s shares to the Foundation, which will be engaged in activities by utilizing said trust income.

The disposal of treasury shares under this proposal (the “Disposal of Treasury Shares”) will be made to the Trust, which will be established to contribute funds to the social contribution activities of the Foundation.

3. Rationality of disposal

From the perspective of enabling the Foundation to continuously conduct businesses in a stable manner, including providing funds, to organizations or individuals that are engaged in activities in line with its objectives, the Company believes that the number of shares to be disposed of in the Disposal of Treasury Shares is reasonable as the number of treasury shares to be disposed of to obtain funds for supporting said activities.

The scale of the share dilution due to the Disposal of Treasury Shares on the stock market will be 2.52% of the total number of issued and outstanding shares, or 2.82% of 566,618 total voting rights (both scales are rounded to the third decimal place). The Company believes that the impact on the stock market will be minor. Additionally, the Trust plans to continue holding the shares to be disposed of through the Disposal of Treasury Shares during the trust term unless it is expected to be difficult to achieve the objective of the trust by keeping the Foundation in the position of the beneficiary, due to bankruptcy of the Foundation, or other reasons. Therefore, within the framework of the Trust, it is not expected that the shares to be disposed of through the Disposal of Treasury Shares will flow out to the stock market, at least not for the time being. In that sense, the Company also believes that the impact on the stock market will be minor.

Moreover, the Custody Bank of Japan, Ltd., will not exercise the voting rights held by the Trust through the Disposal of Treasury Shares during the trust period. As a result, the Company believes that there will be no substantive impact on the rate of voting rights while the Trust continuously keeps shares to be disposed of through the Disposal of Treasury Shares as described above.

The lower limit of the paid-in amount of 1 JPY per share is especially advantageous to the allotted party; however, as the amount is considered necessary and reasonable from the perspective of the abovementioned point and objective, the Company hereby asks the shareholders to approve the delegation of the determination of subscription requirements for the disposal of treasury shares by third-party allotment to the Board of Directors of the Company, in accordance with Article 199 (Determination of Subscription Requirements) and Article 200 (Delegation of Determination of Subscription Requirements) of the Companies Act.

<Treasury shares to be disposed of>

(1) Type of shares to be disposed of and upper limit on the number of shares to be disposed of	Common shares, 1,600,000 (Ratio to the total number of issued and outstanding shares: 2.52%*)
(2) Lower limit of paid-in amount	1 JPY per share
(3) The minimum total paid-in amount	1,600,000 JPY
(4) Disposal method	Disposal by third-party allotment
(5) Disposed to (or allottee)	Custody Bank of Japan, Ltd. (Sub-trustee having Sumitomo Mitsui Trust Bank, Limited, as the settlor)
(6) Date of disposal (or payment due date)	June 2024 (scheduled)
(7) Delegation of determination	In addition to the abovementioned particulars, the subscription requirements and other necessary particulars required for disposal of the treasury shares shall be determined through the resolution of the Board of Directors of the Company.

* This calculation is based on the total number of issued and outstanding common shares as of December 31, 2023, which is 63,286,292 shares.

<Overview of the Foundation>

Name	Foundation for Human Expression & Creative Empowerment
Address:	5-23-37, Higashi-ohi, Shinagawa-ku, Tokyo
Representative Director	Shigehiko Suhara
Activity details	- Contributing funds to colleges and institutions that study new engineering development for bringing out people's unique expressions and individuality, as well as artists and creators who practice new methods of expression - Developing methods and tools of expression for general consumers and encouraging expressive activities through distribution of information about those methods and tools - Conducting other businesses necessary to achieve objectives of this foundation
Activity funds	Approximately 50 million JPY per year
Date of foundation	April 2024 (scheduled)